

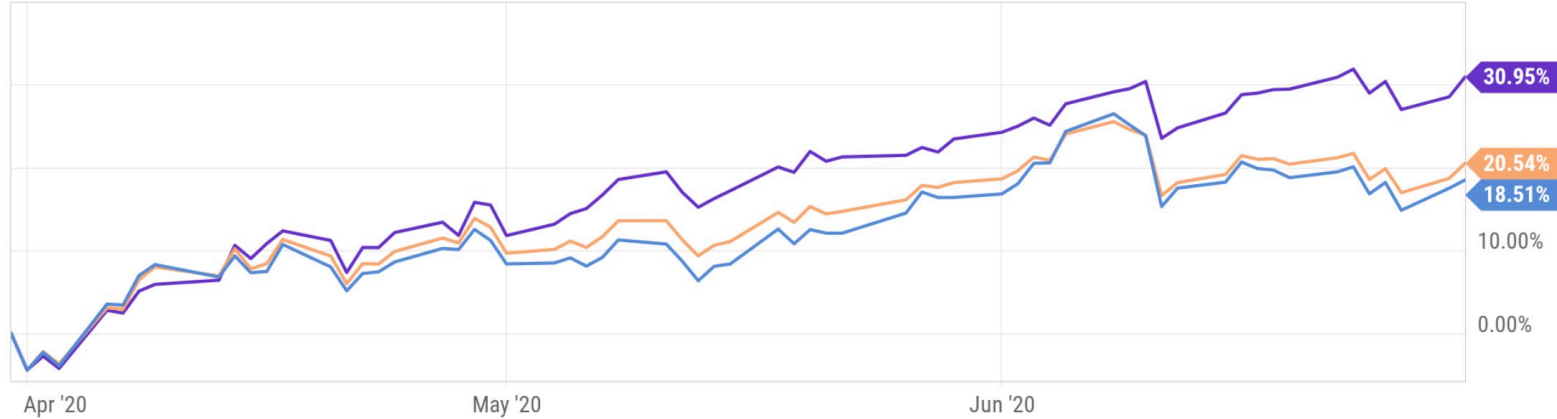


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CAPITAL ADVISORS, LLC

Economic Update
Digging Deeper
into Q2 2020
July 2020

Stock Markets Performance

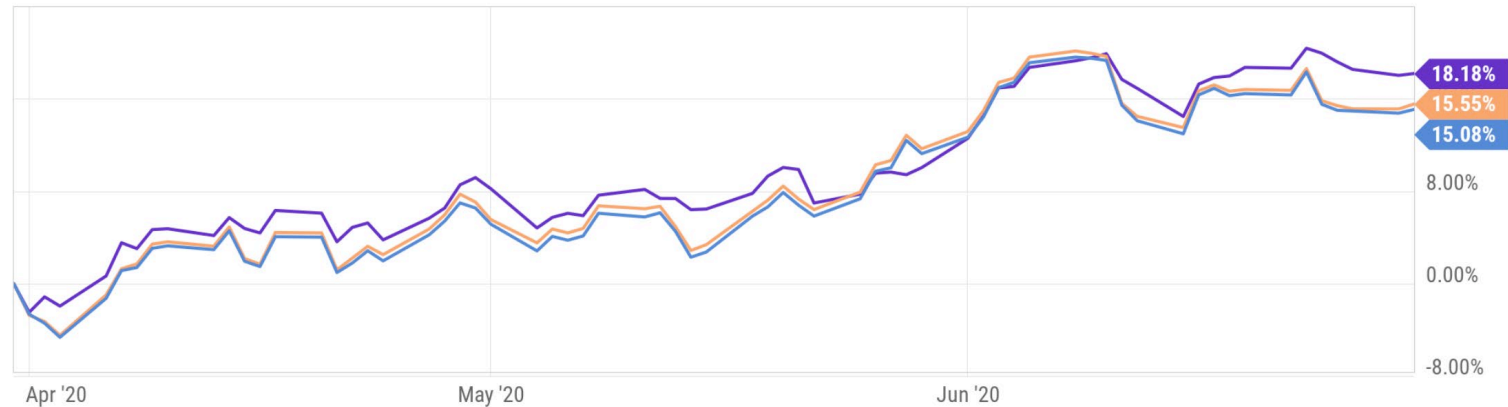
	VAL	ANN
NASDAQ Composite Total Return	30.95%	194.88%
S&P 500 Total Return	20.54%	111.57%
Dow Jones Industrial Average Total Return	18.51%	97.64%



US Markets	Q2 2020 Return
NASDAQ Composite Total Return	30.95%
S&P 500 Total Return	20.54%
Dow Jones Industrial Average Total Return	18.51%

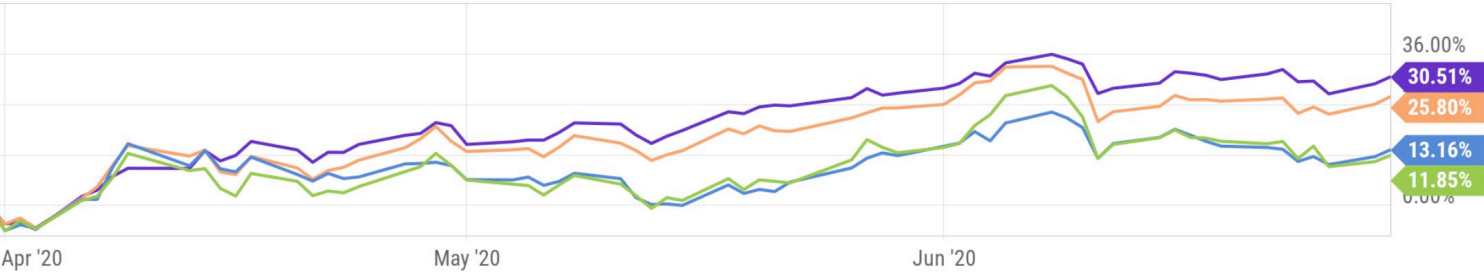
Global Markets	Q2 2020 Return
MSCI Emerging Markets Total Return	18.18%
MSCI World Ex USA Total Return	15.55%
MSCI EAFE Total Return	15.08%

	VAL	ANN
MSCI Emerging Markets Total Return	18.18%	95.45%
MSCI World Ex USA Total Return	15.55%	78.53%
MSCI EAFE Total Return	15.08%	75.64%

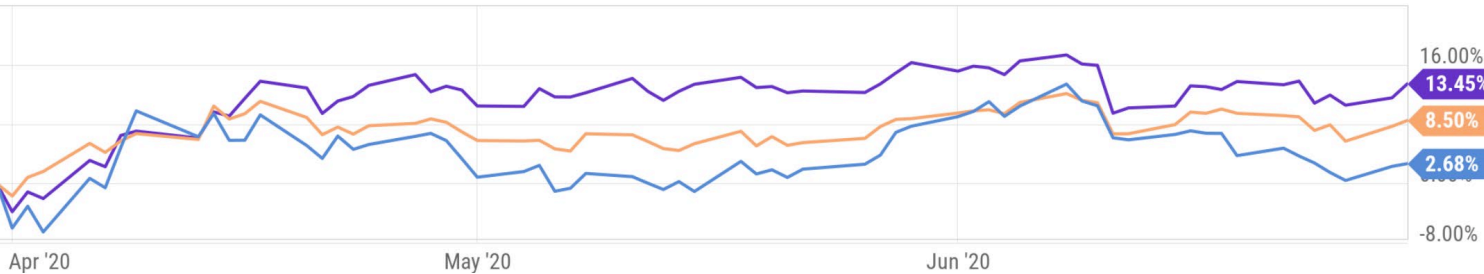


US Sector Performance

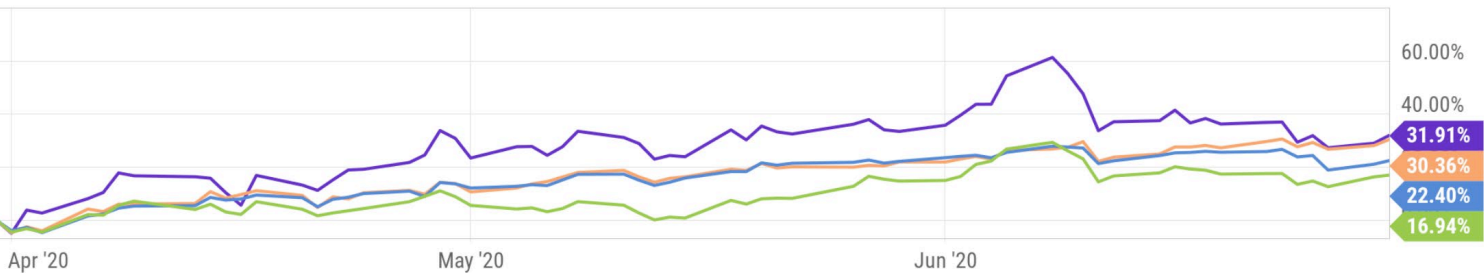
- Consumer Discret Sel Sect SPDR® ETF Total Return
- Materials Select Sector SPDR® ETF Total Return
- Real Estate Select Sector SPDR® Total Return
- Financial Select Sector SPDR® ETF Total Return



- Health Care Select Sector SPDR® ETF Total Return
- Consumer Staples Select Sector SPDR® ETF Total Return
- Utilities Select Sector SPDR® ETF Total Return



- Energy Select Sector SPDR® ETF Total Return
- Technology Select Sector SPDR® ETF Total Return
- Communication Services Sel Sect SPDR®ETF Total Return
- Industrial Select Sector SPDR® ETF Total Return



Cyclical Sectors	Q2 2020 Return
Consumer Discret Sel Sect SPDR® ETF	30.51%
Materials Select Sector SPDR® ETF	25.80%
Real Estate Select Sector SPDR®	13.16%
Financial Select Sector SPDR® ETF	11.85%

Defensive Sectors	Q2 2020 Return
Health Care Select Sector SPDR® ETF	13.45%
Consumer Staples Select Sector SPDR® ETF	8.50%
Utilities Select Sector SPDR® ETF	2.68%

Sensitive Sectors	Q2 2020 Return
Energy Select Sector SPDR® ETF	31.91%
Technology Select Sector SPDR® ETF	30.36%
Communication Services Sel Sect SPDR®ETF	22.40%
Industrial Select Sector SPDR® ETF	16.94%



Asset Class Performance – Trailing Periods

	YTD Return %	1 Month Return %	3 Month Return %	6 Month Return %	1 Year Return %	Ann. 3 Year Return %	Ann. 5 Year Return %
US Growth Stocks	9.81%	4.35%	27.84%	9.81%	23.28%	18.99%	15.89%
US Small Cap	-12.98%	3.53%	25.42%	-12.98%	-6.63%	2.01%	4.29%
S&P 500	-3.08%	1.99%	20.54%	-3.08%	7.51%	10.73%	10.73%
Emerging Markets	-9.67%	7.40%	18.18%	-9.67%	-3.05%	2.27%	3.24%
World ex USA	-11.20%	3.47%	15.55%	-11.20%	-4.98%	1.35%	2.53%
US Value Stocks	-16.26%	-0.66%	14.29%	-16.26%	-8.84%	1.82%	4.64%
US Real Estate	-13.87%	2.46%	13.91%	-13.87%	-6.85%	3.40%	6.28%
Commodities	-36.31%	5.09%	10.47%	-36.31%	-33.90%	-8.71%	-12.45%
Aggregate Bonds	6.14%	0.63%	2.90%	6.14%	8.74%	5.32%	4.30%
Muni Bonds	2.08%	0.82%	2.72%	2.08%	4.45%	4.22%	3.93%
US Treasuries	8.71%	0.09%	0.48%	8.71%	10.45%	5.57%	4.07%

Asset	Index
US Real Estate	Dow Jones US Real Estate Index Total Return
US Growth Stocks	Russell 1000 Growth Total Return
Commodities	S&P GSCI Total Return
US Small Cap	Russell 2000 Total Return
S&P 500	S&P 500 Total Return
US Value Stocks	Russell 1000 Value Total Return
World ex USA	MSCI World Ex USA Total Return
Emerging Markets	MSCI Emerging Markets Total Return
Aggregate Bonds	Barclays US Aggregate Total Return
Muni Bonds	Barclays Municipal Bond Total Return
US Treasuries	Barclays US Treasury Total Return



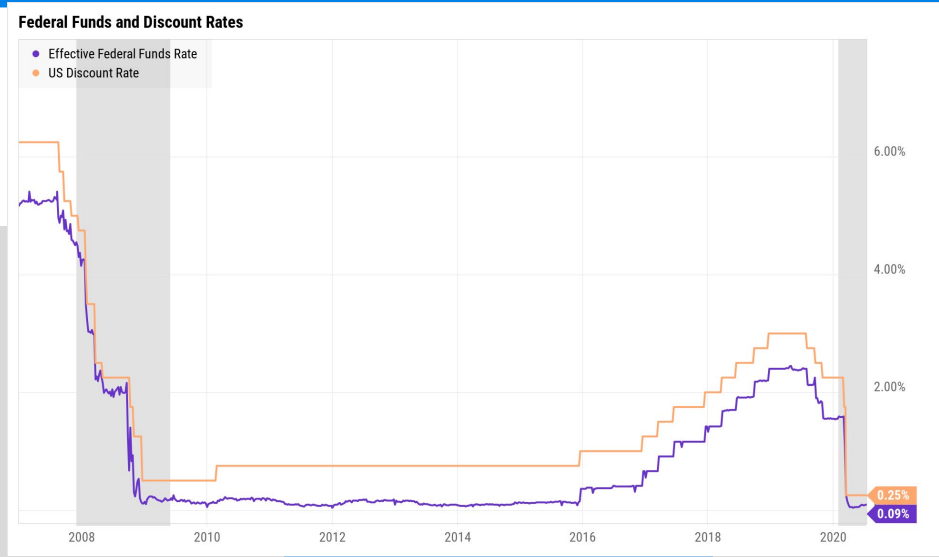
Asset Class Performance – Quarter by Quarter

	6/30/20	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/18	9/30/18	6/30/18	3/31/18	12/31/17	9/30/17	6/30/17
US Growth	27.84%	-14.10%	10.62%	1.49%	4.64%	16.10%	-15.89%	9.17%	5.76%	1.42%	7.86%	5.90%	4.67%
US Small Cap	25.42%	-30.61%	9.94%	-2.40%	2.10%	14.58%	-20.20%	3.58%	7.75%	-0.08%	3.34%	5.67%	2.46%
S&P 500	20.54%	-19.60%	9.07%	1.70%	4.30%	13.65%	-13.52%	7.71%	3.43%	-0.76%	6.64%	4.48%	3.09%
Emerging Markets	18.18%	-23.57%	11.93%	-4.11%	0.74%	9.95%	-7.39%	-0.95%	-7.86%	1.47%	7.50%	8.04%	6.38%
World Ex-US Stocks	15.55%	-23.15%	7.91%	-0.85%	4.07%	10.60%	-12.73%	1.38%	-0.48%	-1.92%	4.29%	5.69%	5.87%
US Value	14.29%	-26.73%	7.41%	1.36%	3.84%	11.93%	-11.72%	5.70%	1.18%	-2.83%	5.33%	3.11%	1.34%
US Real Estate	13.91%	-24.39%	0.79%	7.30%	1.82%	17.08%	-5.97%	0.65%	7.78%	-5.91%	2.57%	1.13%	2.59%
Commodities	10.47%	-42.34%	8.31%	-4.18%	-1.42%	14.97%	-22.94%	1.34%	8.00%	2.19%	9.90%	7.22%	-5.46%
US Aggregate Bonds	2.90%	3.15%	0.18%	2.27%	3.08%	2.94%	1.64%	0.02%	-0.16%	-1.46%	0.39%	0.85%	1.45%
Municipal Bonds	2.72%	-0.63%	0.74%	1.58%	2.14%	2.90%	1.69%	-0.15%	0.87%	-1.11%	0.75%	1.06%	1.96%
US Treasury Bonds	0.48%	8.20%	-0.79%	2.40%	3.01%	2.11%	2.57%	-0.59%	0.10%	-1.18%	0.05%	0.38%	1.19%



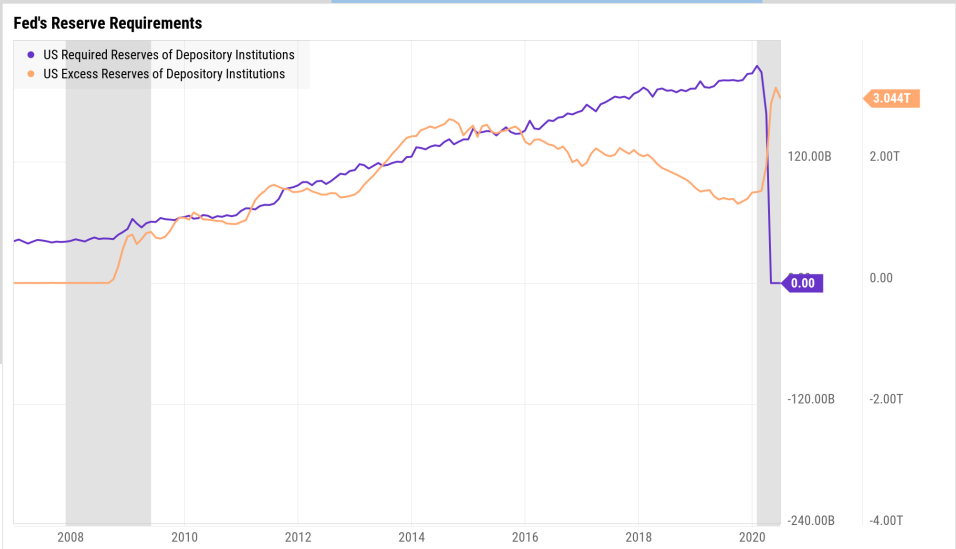
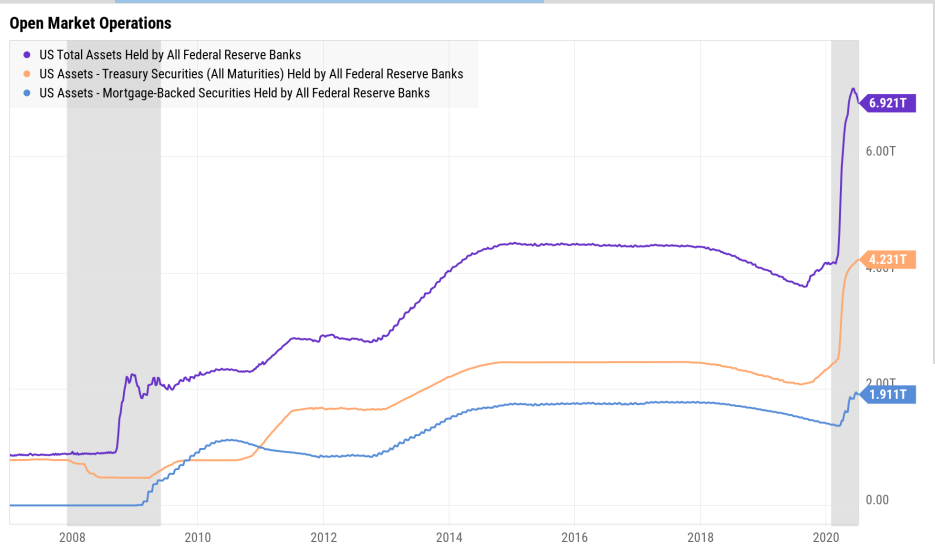
Federal Reserve Easing Activity

Buying Assets in Open Market

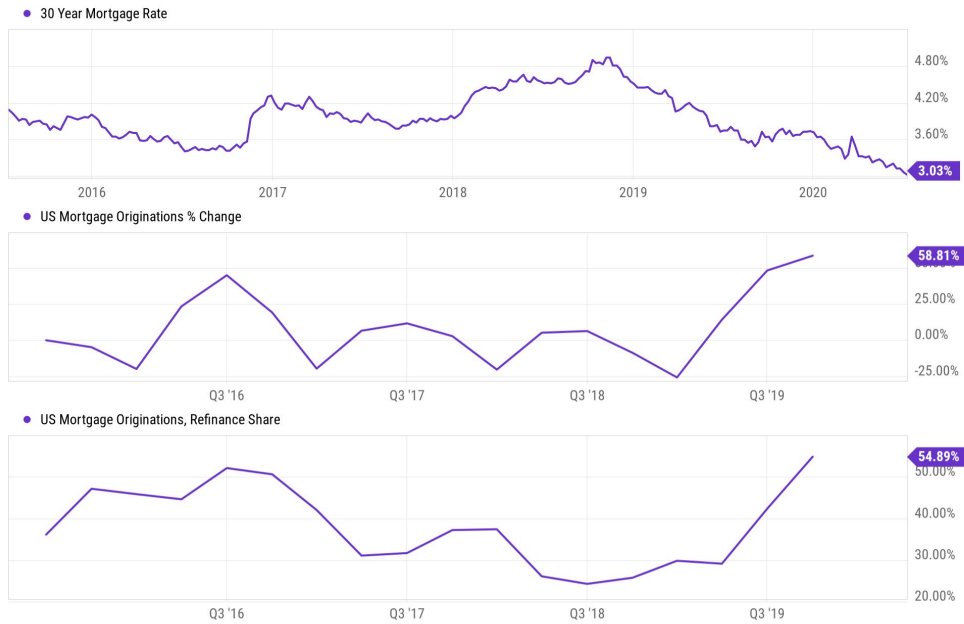


Decreasing Reserve Requirements

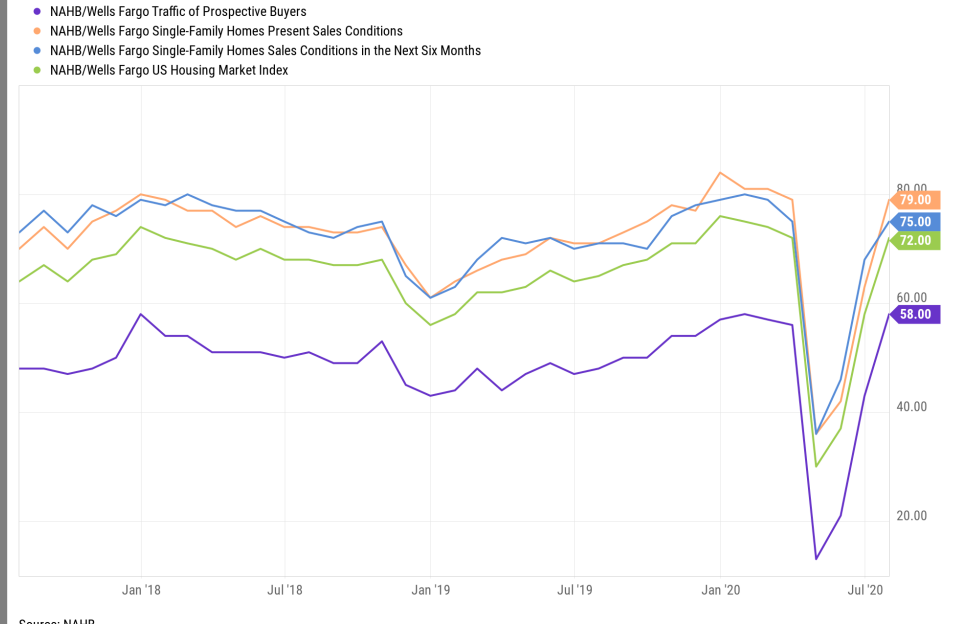
Lowering Rates



Mortgage Rates and Originations



NAHB Housing Sentiment & Components

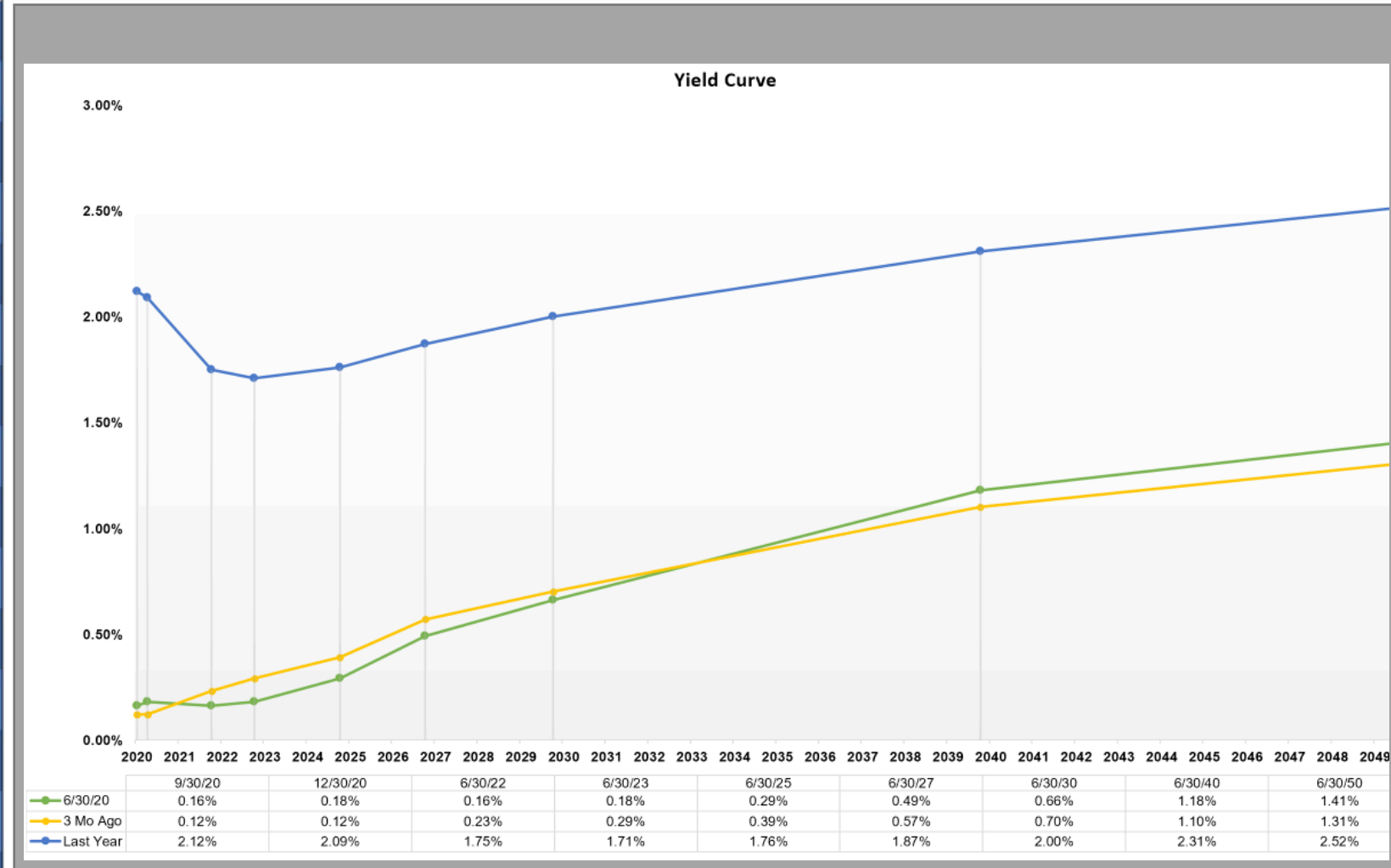


Indicator Review

Overall	Indicator Name	Last Release Date	Frequency	Value	1 Mo. Ago		3 Mo. Ago		1 Yr. Ago	
					1 Mo. Ago	% Change	3 Mo. Ago	% Change	1 Yr. Ago	% Change
▲	Case-Shiller Home Price Index: National	4/30/20	monthly	218.0	217	▲ 0.47%	215	▲ 1.54%	208	▲ 4.73%
▲	US Housing Starts	5/31/20	monthly	974	934	▲ 4.28%	1,567	▼ -37.84%	1,268	▼ -23.19%
▲	US Building Permits	5/31/20	monthly	1,220	1,066	▲ 14.45%	1,438	▼ -15.16%	1,338	▼ -8.82%
▲	US New Single Family Houses Sold	5/31/20	monthly	676	580	▲ 16.55%	716	▼ -5.59%	600	▲ 12.67%
▲	US Pending Home Sales Index	5/31/20	monthly	100	69	▲ 44.35%	111	▼ -10.59%	105	▼ -5.14%
▼	30 Year Mortgage Rate	7/9/20	weekly	3.03%	3.13%	▼ -3.19%	3.23%	▼ -6.19%	3.75%	▼ -19.20%
▲	US Households	3/31/20	monthly	124,977	123,933	▲ 0.84%	124,208	▲ 0.62%	122,321	▲ 2.17%



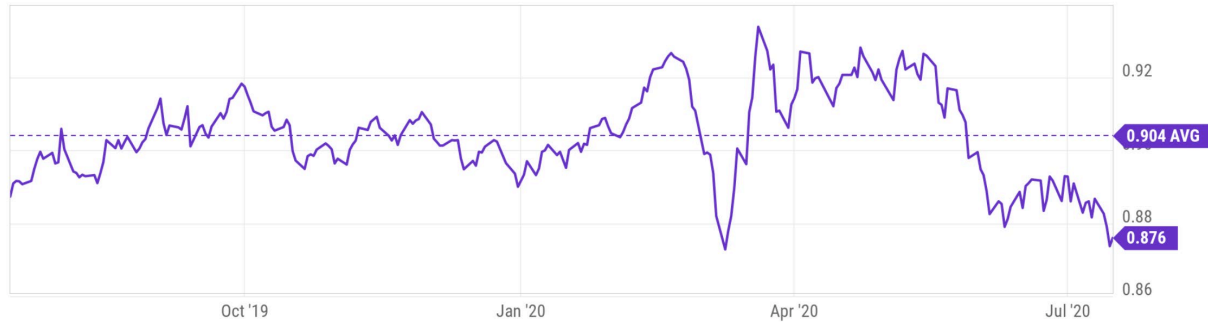
Name	6/30/20	3/31/20	12/31/19	9/30/19
US High Yield CCC Effective Yield	14.46% ▼	18.21% ▲	11.78% ▼	12.20%
US High Yield B Effective Yield	7.01% ▼	9.99% ▲	5.28% ▼	5.77%
US High Yield BB Effective Yield	5.11% ▼	6.89% ▲	3.77% ▼	3.96%
US Corporate BBB Effective Yield	2.68% ▼	4.59% ▲	3.19% ▼	3.30%
US Corporate A Effective Yield	1.81% ▼	2.96% ▲	2.65% ▼	2.69%
US Corporate AAA Effective Yield	1.63% ▼	2.08% ▼	2.55% ▲	2.49%
US Corporate AA Effective Yield	1.63% ▼	2.08% ▼	2.55% ▲	2.49%
30 Year Treasury Rate	1.41% ▲	1.35% ▼	2.39% ▲	2.12%
10 Year Treasury Rate	0.66% ▼	0.70% ▼	1.92% ▲	1.68%
5 Year Treasury Rate	0.29% ▼	0.37% ▼	1.69% ▲	1.55%
1 Year Treasury Rate	0.16% ▼	0.23% ▼	1.58% ▼	1.63%
2 Year Treasury Rate	0.16% ▼	0.17% ▼	1.59% ▼	1.75%
6 Month Treasury Rate	0.18% ▲	0.15% ▼	1.60% ▼	1.83%
3 Month Treasury Rate	0.16% ▲	0.11% ▼	1.55% ▼	1.88%
Effective Federal Funds Rate	0.08% ▬	0.08% ▼	1.55% ▼	1.90%



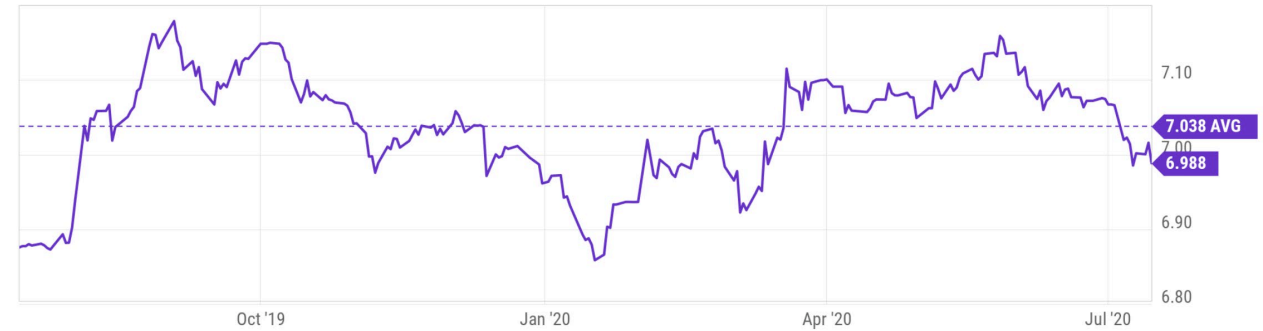
Trade & Dollar Strength

Exports																		
	Total	QoQ	YoY	Canada	QoQ	YoY	Mexico	QoQ	YoY	EU	QoQ	YoY	China	QoQ	YoY	OPEC	QoQ	YoY
Total:	\$631.4 B	-3.1%	-3.3%	\$89.9 B	-2.6%	-4.9%	\$73.4 B	-1.1%	-6.1%	\$152.1 B	-20.0%	-19.7%	\$42.0 B	-9.9%	-13.0%	\$19.8 B	0.7%	-15.0%
Goods:	\$411.1 B	-2.0%	-3.8%	\$73.3 B	-1.8%	-5.1%	\$65.2 B	-1.0%	-7.1%	\$81.8 B	-21.4%	-22.2%	\$27.6 B	-7.9%	-13.9%	\$12.2 B	1.9%	-20.2%
Services:	\$220.3 B	-5.3%	-2.7%	\$16.6 B	-6.8%	-5.7%	\$8.1 B	-1.6%	-2.0%	\$70.3 B	-29.3%	-27.4%	\$14.3 B	-16.9%	-16.9%	\$7.6 B	-1.2%	-13.8%
Imports																		
Total:	\$783.6 B	-3.9%	-5.8%	\$92.1 B	-12.5%	-12.4%	\$99.9 B	0.8%	-1.0%	\$182.7 B	-15.4%	-15.4%	\$122.5 B	-14.8%	-22.6%	\$15.5 B	-6.4%	-31.1%
Goods:	\$635.6 B	-3.0%	-6.3%	\$82.4 B	-12.0%	-12.0%	\$92.6 B	1.7%	-0.4%	\$130.0 B	-12.0%	-12.0%	\$117.3 B	-17.4%	-29.5%	\$12.9 B	-10.1%	-53.5%
Services:	\$148.0 B	-8.2%	-5.6%	\$9.6 B	-34%	-33%	\$7.3 B	-11.5%	-8.6%	\$52.7 B	-33.5%	-33.5%	\$5.2 B	-17.7%	-22.9%	\$2.6 B	9.4%	-3.7%

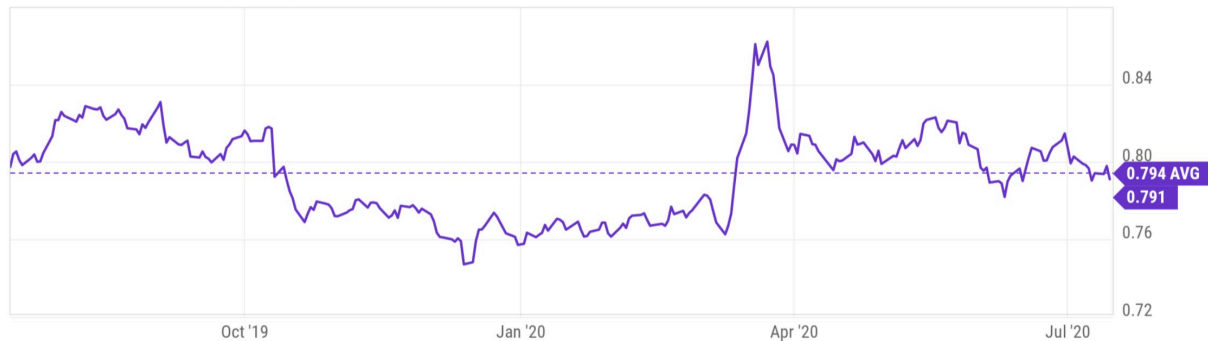
• US Dollar to Euro Exchange Rate



• US Dollar to Chinese Yuan Exchange Rate



• US Dollar to Pound Sterling Exchange Rate



• US Dollar to Japanese Yen Exchange Rate





Leading Indicator Summary & Trends

Indicator	Q2 2020	Q1 2020	Q4 2019	Q3 2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
10-2 Year Treasury Yield Spread	▲ 0.50%	▲ 0.47%	▲ 0.34%	▼ 0.05%	▼ 0.21%	▼ 0.51%	▲ 1.25%	▼ 1.21%	▼ 1.50%	▲ 2.66%	▼ 1.53%	▼ 1.64%	▼ 2.69%	▲ 2.71%	▲ 1.49%	▲ 0.99%	▼ -0.11%
NY Fed Business Leaders Survey Current Business Activity	▲ -1.8	▼ -13.1	▼ 3	▼ 4.9	▼ 5.6	▲ 16.7	▼ -0.6	▼ 2	▼ 7.8	▲ 7.89	▼ -6.41	▼ -2.5	▲ 12.24	▲ 11.9	▼ -44	▼ -11.9	▲ 27.5
Philly Fed Manufacturing Activity Index	▲ 24.1	▼ -12.7	▼ 2.4	▲ 12.2	▼ 10.9	▲ 29.3	▲ 21.6	▼ -9.5	▲ 20.5	▲ 6.2	▲ 4	▼ 3.3	▼ 15.6	▲ 16.4	▼ -37.7	▼ -5.5	▼ -1.7
S&P 500 Return	▲ 20.54%	▼ -19.60%	▲ 9.07%	▲ 1.70%	▼ -4.38%	▲ 21.8%	▲ 12.0%	▼ 1.38%	▼ 13.7%	▲ 32.4%	▲ 16.0%	▼ 2.11%	▼ 15.1%	▲ 26.5%	▼ -37.0%	▼ 5.49%	▲ 15.8%
US Index of Consumer Sentiment	▲ 73.2	▼ 71.8	▲ 99.3	▼ 93.2	▲ 98.3	▼ 95.9	▲ 98.2	▼ 92.6	▲ 93.6	▲ 82.5	▲ 72.9	▼ 69.9	▲ 74.5	▲ 72.5	▼ 60.1	▼ 75.5	▲ 91.7
US Change in Business Inventories (YoY)	▼ -4.78%	▼ -0.48%	▼ 1.87%	▼ 3.41%	▲ 4.70%	▲ 3.31%	▲ 2.00%	▼ 1.42%	▼ 3.68%	▼ 3.93%	▼ 5.67%	▼ 7.84%	▲ 8.90%	▼ -9.21%	▼ -1.46%	▼ 5.58%	▲ 7.17%
US Housing Starts (Latest TTM)	▼ 15,745	▲ 16,384	▲ 15,543	▼ 14,806	▲ 15,004	▲ 14,506	▲ 14,128	▲ 13,281	▲ 11,992	▲ 11,138	▲ 9,405	▲ 7,343	▲ 7,026	▼ 6,648	▼ 10,800	▼ 16,102	▼ 21,743
US Building Permits (Latest TTM)	▼ 16,579	▲ 17,015	▲ 16,633	▲ 16,083	▲ 15,962	▲ 15,442	▲ 14,495	▲ 14,140	▲ 12,639	▲ 11,847	▲ 9,945	▲ 7,488	▲ 7,244	▼ 6,984	▼ 10,750	▼ 16,698	▼ 22,124
US Change in Retail Sales (YoY)	▲ 4.98%	▼ -2.60%	▲ 5.63%	▲ 3.68%	▼ 0.52%	▲ 4.93%	▲ 3.65%	▼ 2.82%	▼ 2.92%	▼ 3.30%	▼ 4.31%	▼ 6.07%	▲ 6.87%	▲ 4.94%	▼ -12.75%	▼ 2.98%	▼ 4.40%

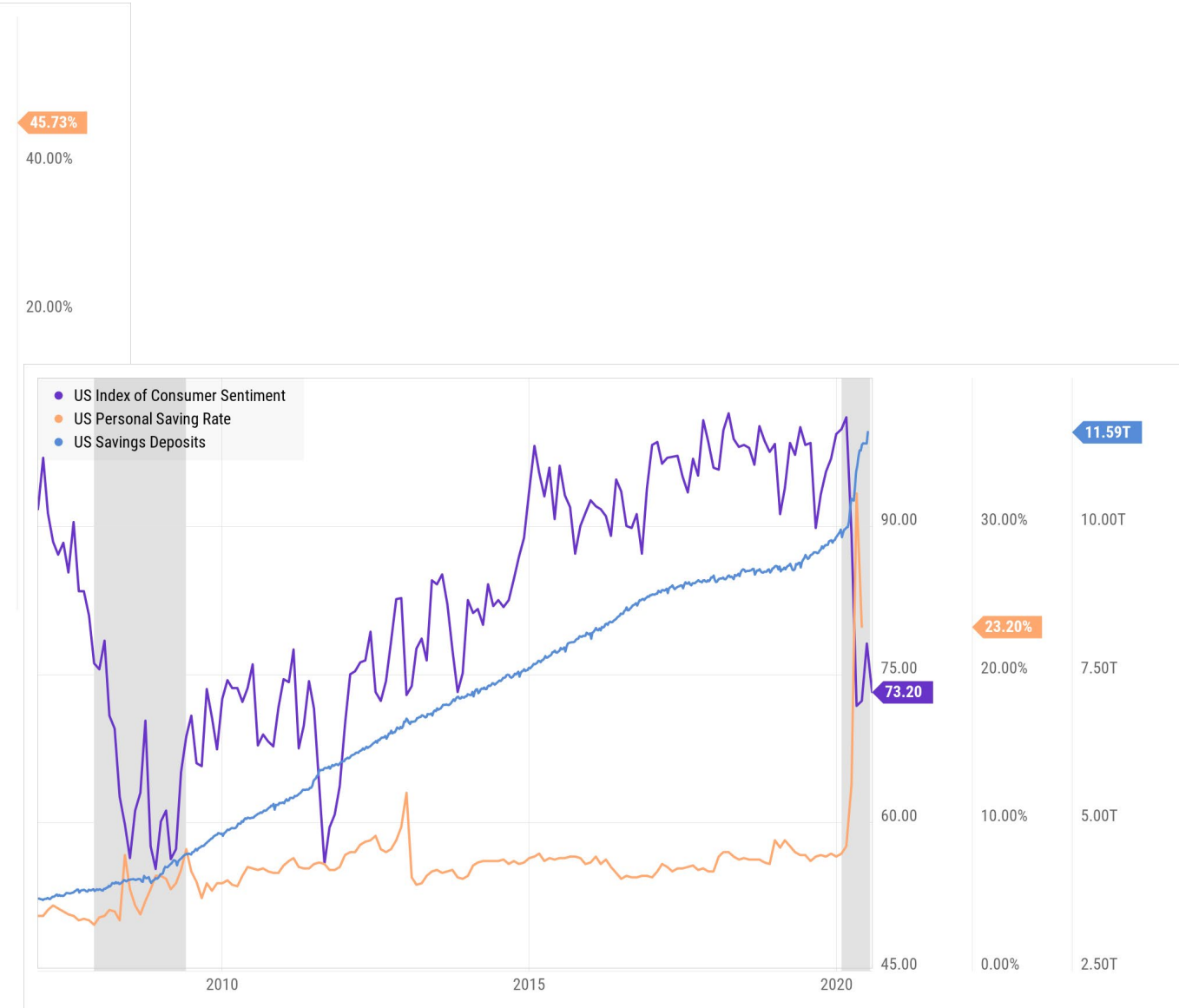
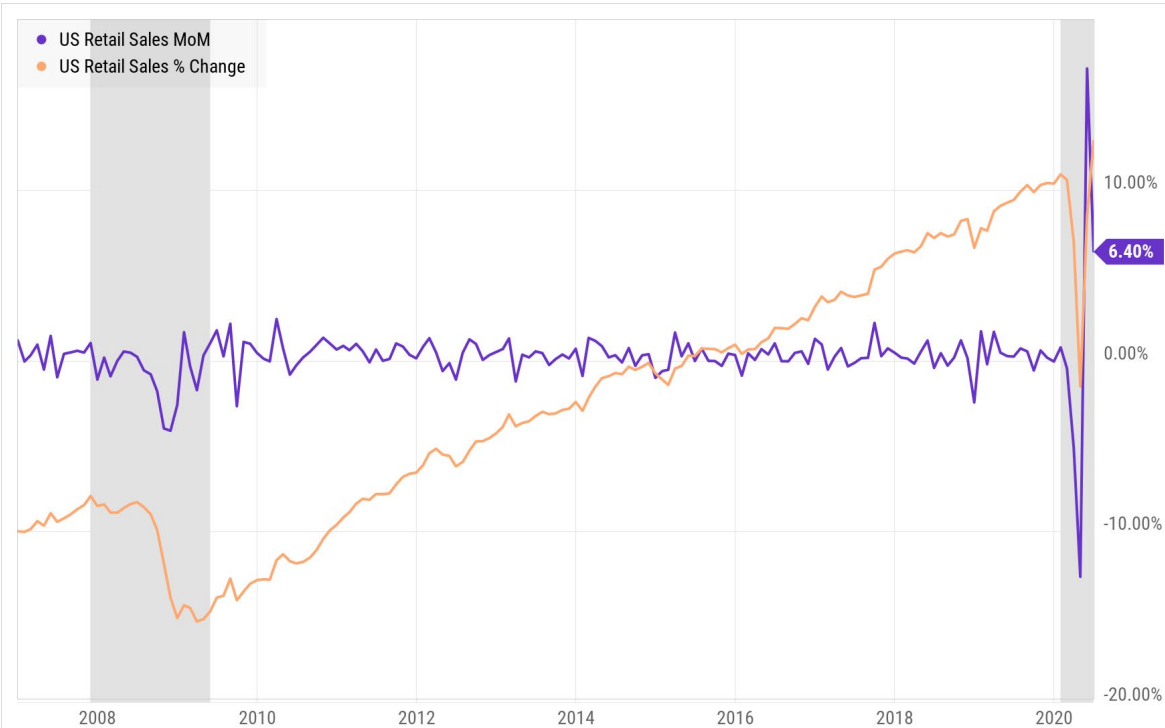


Employment Situation



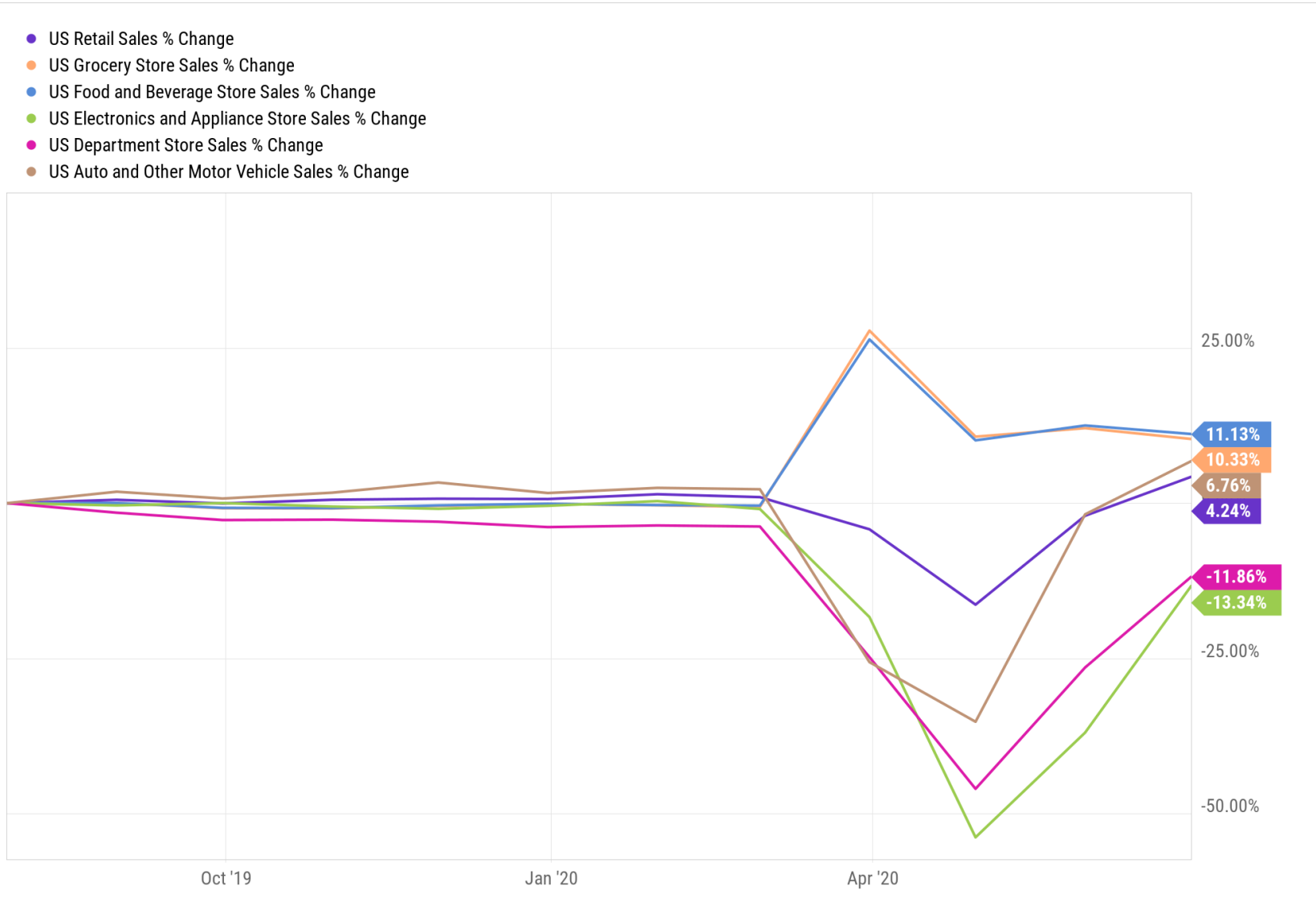


Consumerism





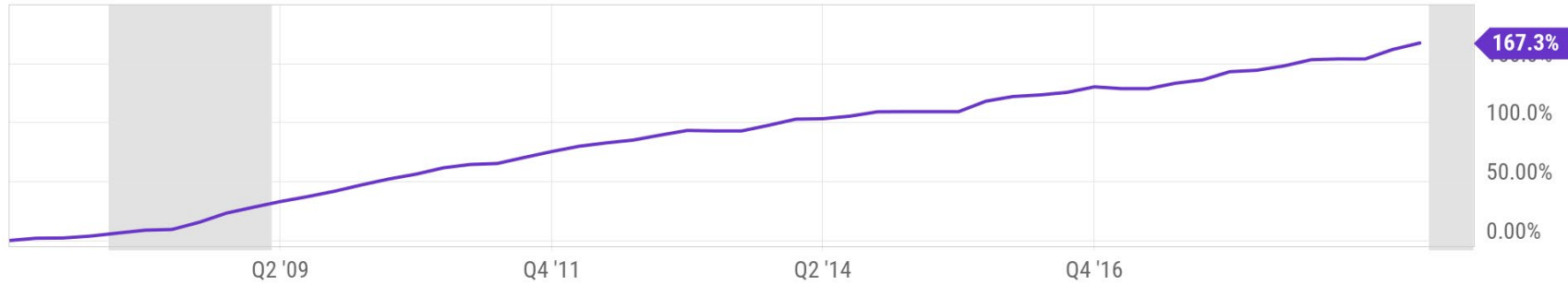
Spending Spreads





Government Spending & Debt

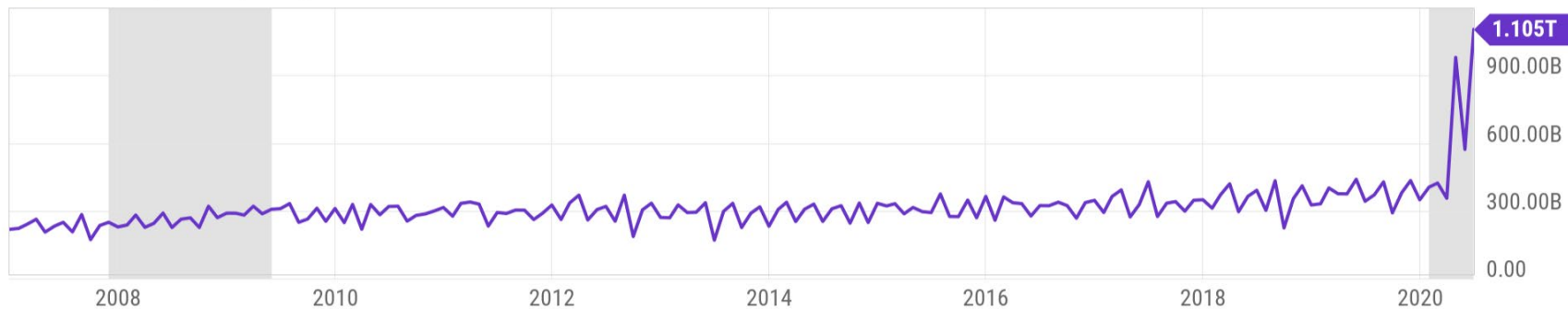
● US Public Debt % Change



● US One-Year Ahead Government Debt Growth Expectations



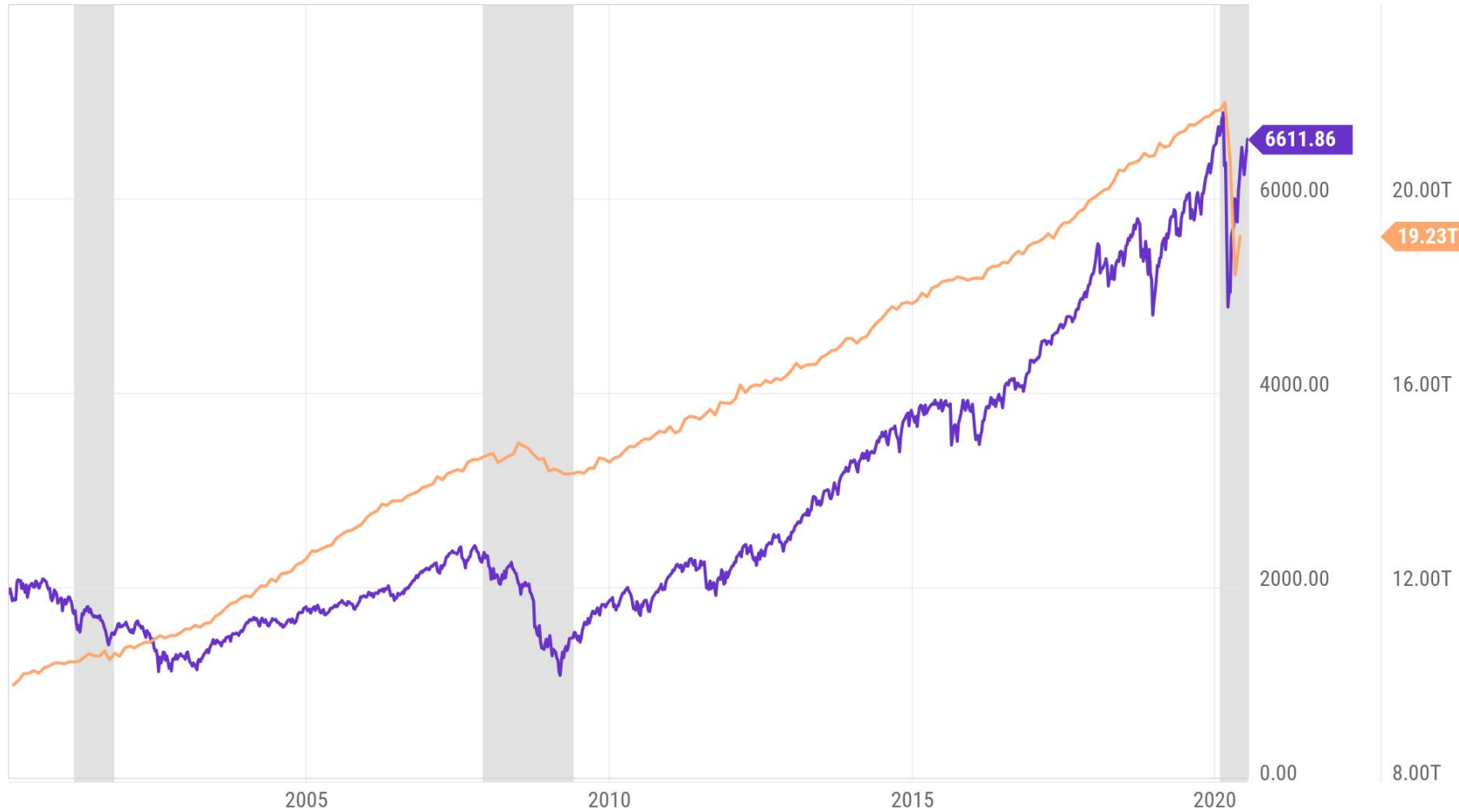
● US Monthly Treasury Outlays





Current and Prior Two Recessions Shaded

- S&P 500 Total Return Level
- US Monthly GDP





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